

| Federal Tax Provisions | Federal | Louisiana |
|--|---------|---------------------|
| Temporary Suspension of Limits on Charitable Contributions. Qualified contributions are not subject to the overall limit on itemized deductions or the 50% adjusted gross income (AGI) limit. The qualified contributions must have been paid after August 27, 2005 and before January 1, 2006. ¹ | ✓ | See footnote #1 |
| Standard Mileage Rate for Charitable Use of Vehicles. Special mileage rates are effective in 2005 and 2006 for the cost of operating your automobile for providing charitable services solely related to Hurricane Katrina. ¹ | ✓ | See footnote #1 |
| Mileage Reimbursements to Charitable Volunteers. Taxpayers can exclude from income amounts they receive as mileage reimbursements for the use of a private vehicle by charitable organization in providing relief related to Hurricane Katrina during the period beginning on August 25, 2005 and ending on December 31, 2006. ¹ | ✓ | See footnote #1 |
| Charitable Deduction for Contributions of Food Inventory. Any taxpayer engaged in a trade or business is eligible to claim a deduction for a contribution of "apparently wholesome food" inventory to a qualified 501(c)(3) organizations after August 25, 2005 and before January 1, 2006. ¹ | ✓ | See footnote #1 |
| Net Operating Loss Carryback Extended. Five-year carryback period for net operating losses attributable to Hurricane Katrina. | ✓ | ✓ |
| Casualty and Theft Losses. Limits on personal casualty or theft losses caused by Hurricanes Katrina, Rita or Wilma are not subject to the \$100 or 10% adjusted gross income limits. | ✓ | |
| Employer-Provided Housing Tax Credit. 30% of the cost of employer-provided housing (up to \$600 per month) for employees located in the GO Zone. ² | ✓ | See footnote #2 |
| Increased Rehabilitation Tax Credit. 13% of qualified expenditures for rehabilitation of commercial buildings and 26% for certified historic structures through December 31, 2008. ^{2,3} | ✓ | See footnote #2 & 3 |
| Qualified Hurricane Distributions are included in income in equal amounts over three years. Qualified hurricane distributions are included in income in equal amounts over three years. However, if a taxpayer elects, the taxpayer can include the entire distribution in his income in the year it was received. | ✓ | ✓ |
| Loans from Qualified Plans. Limits on distributions treated as loans from employer plans are increased for qualified individuals. | ✓ | ✓ |
| Repayment of Qualified Hurricane Distributions. Taxpayers can repay any portion of qualified hurricane distribution that is eligible for tax-free rollover treatment to an eligible retirement plan. | ✓ | ✓ |
| Repayment of Qualified Distributions for the Purchase or Construction of a Main Home. Taxpayers that receive a qualified distribution to purchase or construct a main home in the Hurricane Katrina, Rita, or Wilma disaster, they can repay that distribution before March 1, 2006 to an eligible retirement plan after August 24, 2005(Katrina); after September 22, 2005(Rita); or after October 22, 2005 (Wilma). | ✓ | ✓ |
| Earned Income Credit and Child Tax Credit. Qualifying taxpayers can elect to use their 2004 earned income to figure their earned income credit and additional child tax credit for 2005. ² | ✓ | See footnote #2 |
| Housing Tax Credit. Credit for 130% of the qualified project costs to rebuild housing and historic buildings in the GO Zone, Rita Zone and Wilma Zone, designated as a " Difficult Development Area", in 2006, 2007 and 2008. ² | ✓ | See footnote #2 |
| Additional Exemption for Housing Individual Displaced by Hurricane Katrina. Taxpayers may be able to claim an additional exemption amount of \$500 for providing housing in their main home for each individual displaced by Hurricane Katrina. | ✓ | |
| Increase in Education Credits. Education credits have been expanded for students attending an eligible educational institution located in the Gulf Opportunity Zone. ² | ✓ | See footnote #2 |
| Recapture of Federal Mortgage Subsidy. Qualifying taxpayers do not have to recapture any benefit if their mortgage loan was a qualified home improvement loan and was not more than \$150,000. | ✓ | ✓ |
| Exclusion of Certain Cancellations of Indebtedness by Reason of Hurricane Katrina. Discharges of non-business debt made after August 24, 2005, and before January 1, 2007, are excluded from income for individuals whose main home was in the Hurricane Katrina disaster area on August 25, 2005. | ✓ | ✓ |
| Tax Relief for Temporary Relocation. Taxpayer will not lose a deduction or credit or experience a change in filing status in 2005 or 2006 as a result of a temporary relocation caused by Hurricane Katrina, Rita or Wilma. | ✓ | ✓ |
| Extended Tax Deadlines. Extension of deadlines to file returns, pay taxes and perform certain other time-sensitive acts for certain taxpayers affected by Hurricane Katrina, Rita or Wilma, until February 28, 2006. | ✓ | ✓ |
| Replacement Period for Nonrecognition of Gain. Replacement period for property involuntarily converted due to Hurricane Katrina increased from 2 years to 5 years. | ✓ | ✓ |

¹ Louisiana does not have a state provision providing for charitable deductions. However, to the extent that the disaster-related charitable deductions affect an individual's Schedule C, Louisiana allows the deduction. If instead these disaster-related charitable deductions affect an individual's Schedule A, Louisiana will not allow the deductions.

² Louisiana does not have a state provision providing for this credit; however, as a consequence of Act 23 of the 2005 Extraordinary Session, Louisiana is allowing special treatment for disaster relief credits. Normally, when federal income tax liability is decreased by federal credits Louisiana income tax liability increases since Louisiana provides a deduction for federal income tax paid. Act 23 was passed to amend and reenact R.S. 47:287.85(C)(2) and R.S. 47:293(3) to provide that the Louisiana income tax deduction for federal income taxes paid shall not be reduced by the amount of federal disaster relief tax credits. In other words, this provision prevents Louisiana taxpayers from paying additional tax because they received a federal disaster relief credit.

³ Louisiana has a similar provision to this federal credit; however, the provision only applies to the rehabilitation of historic structures in downtown development districts